

LOCAL AGENCY FORMATION COMMISSION COUNTY OF SAN BERNARDINO

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DATE: JANUARY 3, 2008

FROM: SAMUEL MARTINEZ, LAFCO Analyst

TO: LOCAL AGENCY FORMATION COMMISSION

SUBJECT: Agenda Item #4: LAFCO SC#322 – Hesperia Water District Agreement for Annexation and Provision of Utility Service No. EOS-2007-09 for Water and Sewer Service (Hesperia 111 Lots, LLC)

INITIATED BY:

Hesperia Water District, on behalf of the property owner/developer

RECOMMENDATION:

1. For environmental review, take the following actions as a responsible agency:
 - Certify that the Commission, its staff, and its Environmental Consultant have independently reviewed and considered the environmental assessment and the Mitigated Negative Declaration prepared by the City of Hesperia for Tentative Tract 15491 to create 108 Single-Family Residential Lots on 30.5 acres, and found them to be adequate for Commission use;
 - Determine that the Commission does not intend to adopt alternatives or mitigation measures for this project; that all mitigation measures are the responsibility of the City of Hesperia and/or others, not the Commission, and are self-mitigating through the implementation of the adopted Conditions of Approval for the project; and,
 - Note that this proposal is exempt from Department of Fish and Game fees because the filing fee was the responsibility of the City of Hesperia, as CEQA lead agency, and direct the Clerk to file a Notice of Determination within five (5) days of this action.

2. Approve SC#322 authorizing the Hesperia Water District to extend water and sewer service outside its boundaries to Tentative Tract 15491, a 108-lot residential subdivision, on Assessor Parcel Numbers (APNs) 3046-131-20, 36, and 38.
3. Adopt LAFCO Resolution #2990 setting forth the Commission's findings, determinations and approval of the agreement for service outside the Hesperia Water District's boundaries.

BACKGROUND:

The Hesperia Water District (hereinafter the "Water District"), a subsidiary district of the City of Hesperia, has submitted a request for approval of an out-of-agency service agreement that outlines the terms by which it will extend water and sewer service outside its boundaries. The agreement relates to three (3) parcels, APNs 3046-131-20, 36, and 38, which are contiguous to each other and are generally located southerly of the California Aquaduct, west of Maple Avenue and north of Mesquite Street. These parcels combined make up Tentative Tract (TT) 15491, which is located within the Water District's central sphere of influence. These parcels are currently within the corporate boundaries of the City of Hesperia. Attachment #1 provides a location and vicinity map of the site along with a map outlining the location of the infrastructure to be extended.

The property owner/developer, through the City of Hesperia's Planning Department, has processed TT 15491, a development proposal to create 108 single-family residential lots and two (2) lettered lots. The proposed project was initially approved in 2003 and has had two (2) project extensions filed, with the final recordation date of June 24, 2008. The Conditions of Approval placed upon this project include the requirement for connection to the Water District's water and sewer facilities. A copy of the Conditions of Approval is included as Attachment #3 to this report. Therefore, the Water District, on behalf of the property owner/developer, has requested that the Commission review and approve the extension of service pursuant to the provisions of Government Code Section 56133. Authorization of this agreement is required before the Water District can take the final actions to implement the terms of the agreement.

PLAN FOR SERVICE:

The application indicates that water service to the development will be provided through construction of a 12-inch water main in Mesquite Street, across the frontage of TT 15491 in Mesquite Street, to tie into the existing water line in Maple Avenue. The Water District also requires that an 8-inch water main shall

be installed within all interior streets of TT 15491 that will connect to the existing water line in Tamarisk Avenue.

In addition, the application indicates that sewer service will be provided through construction of a 12-inch sewer main in Maple Avenue from approximately 550 feet north of Cedar Street to the southeast corner of TT 15491. Also, the Water District requires that an 8-inch sewer main be installed within all interior streets of TT 15491 that will connect to the sewer line in Maple Avenue.

Pursuant to the Commission's application requirements for service contracts, information has been provided regarding all financial obligations for the extension of service outside the agency's boundaries. The Water District has submitted an estimated cost of \$1,149,984 in water and sewer fees for the extension of service to TT 15491. Following is a table with a detailed calculation of the fees:

Water Connection Fee	\$4,736.00 x 108 units	\$511,488.00
Sewer Connection Fee (Victor Valley Wastewater Rec. Authority)	\$4,662.00 x 108 units	\$503,496.00
Sewer Connection Fee including Inspection Fee and Automation Surcharge Fee (Hesperia Water District)	\$1,250.00 x 108 units	\$135,000.00
TOTAL		\$1,149,984.00

In addition to the costs outlined above, the property owner/developer of the Tract will be responsible for the entire cost of the construction and installation of: 1) the 12-inch water main in Mesquite Street (1,150 linear ft.); 2) the 8-inch water mains within all interior streets of TT 15491 and its loop to Tamarisk Avenue (4,815 linear ft.); 3) the 12-inch sewer main in Maple Avenue (3,190 linear ft.); and 4) the 8-inch sewer main within all interior streets of the TT 15491 and its loop to Maple Avenue (4,700 linear ft.). The construction and installation of all water and sewer mains is estimated to cost approximately \$845,400.00.

The Water District has indicated that there is no rate difference for providing service outside the agency's boundaries. Therefore, future users will be charged the normal in-District monthly rate for water and sewer service.

ENVIRONMENTAL DETERMINATION:

The Commission's Environmental Consultant, Tom Dodson and Associates, reviewed the City of Hesperia's environmental assessment that was prepared for TT 15491. The initial study originally identified the project as a development proposal to create 114 single-family residential lots. It also identified CSA 70

Zone J as the water service provider for the project. Since then, the project has been modified several times including the change in the number of lots from 114 to 108 lots. The Water District, which is requesting approval of the out-of-agency service agreement, will be the water and sewer service provider for the project. Upon review of the document, Mr. Dodson has indicated that the City's Initial Study and Mitigated Negative Declaration are adequate for the Commission's use as a CEQA responsible agency.

CONCLUSION:

The development of TT 15491 requires that it receive water and sewer service from the Hesperia Water District. In order for the project to proceed, the developer must show proof of his ability to connect to the Water District's water and sewer infrastructure - which is the Commission's authorization for the extension of service.

Staff has reviewed this request for the provision of water and sewer service by the Water District outside its boundaries against the criteria established by Commission policy and Government Code Section 56133. The parcels that make up TT 15491 are within the sphere of influence assigned the Water District and are anticipated to become a part of the Water District sometime in the future. Staff supports the Water District's request for authorization to provide water and sewer service to the proposed residential development since its facilities are adjacent and/or nearby the proposed development.

FINDINGS:

1. The project area relates to three (3) contiguous parcels, APNs 3046-131-20, 36, and 38, generally located southerly of the southerly of the California Aquaduct, west of Maple Avenue and north of Mesquite Street in the City of Hesperia. These parcels combined make up TT 15491, a development proposal to create 108 single-family residential lots and two (2) lettered lots within the sphere of influence assigned the Hesperia Water District and is anticipated to become a part of that District sometime in the future. The application requests authorization to receive water and sewer service from the Hesperia Water District.
2. The Agreement to Annex and Provision for Utility Services was signed by the property owner/developer on April 18, 2007 and was subsequently approved by the Hesperia City Council acting as the Water District's ex-officio Board of Directors on June 21, 2007. This agreement, Hesperia Water District EOS-2007-09, is for the provision of water and sewer service to TT 15491. This contract will remain in force in perpetuity for TT 15491 or until such time as the area is annexed to the Water District.

3. The fees charged this project by the Water District for water and sewer service are identified as totaling \$1,149,984.00 (for a breakdown of fees, see table on page 3). Payment of these fees is required prior to connection to the Water District's water and sewer facilities. In addition, the property owner/developer of the Tract will be responsible for the entire cost of the construction and installation of all water and sewer mains.
4. During the period from May 2003 to June 2003, the City of Hesperia prepared an environmental assessment for TT 15491, a development proposal to create 108 single-family residential lots and two (2) lettered lots on 30.5 acres. The City's assessment indicates that the proposal would not have a significant effect on the environment through its development under the Conditions of Approval for the proposed project.

LAFCO's Environmental Consultant, Tom Dodson and Associates, reviewed the City's Initial Study and the Mitigated Negative Declaration issued for the proposed project. Mr. Dodson's analysis has indicated that the City's Initial Study and Mitigated Negative Declaration are adequate for the Commission's use as a CEQA responsible agency. The Commission will not be adopting alternatives or mitigation measures for this development; all mitigation measures are the responsibility of the City and/or others, not the Commission, and are considered self-mitigating through the implementation of the Conditions of Approval. Attachment #4 provides a copy of Mr. Dodson's response and recommendation regarding the Commission's review and necessary actions to be taken.

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Attachments:

1. Vicinity Map and Map of the Contract Area
2. Hesperia Water District's Application and Contract
3. Conditions of Approval for TT 15491 on 30.5 Acres
4. Tom Dodson and Associates Response Including the City's Environmental Documents for the TT 15491
5. Draft Resolution #2990